

Town of North Andover
Joint Board of Selectmen, School Committee, and Finance Committee

Resolution

Concerning the FY07-08 General Fund Operating Budget

Whereas: the Town of North Andover, similar to many other municipalities in Massachusetts, continues to experience financial difficulties that have resulted in severe reduction in service levels and elimination of critical positions,

Whereas: the root causes of these financial problems are inadequate and inequitable revenue sharing from the state, ever increasing unfunded mandates from the state particularly in the areas of special education and construction regulations, operating costs - primarily employee compensation and employee health costs which increase at a higher rate than the town's restricted revenues provide, and an over reliance on one time only funding sources to balance the operating budget,

Whereas: The FY08 recommended general fund budget for the first time in three years does not result in further service or staffing reductions. It does not, however, begin the process of restoring lost services or positions,

Whereas: Another budget year with increased class sizes, cuts in academic programs, limited curriculum and professional development, reduction in services to the elderly and compromised public safety will result in further damage to the fabric of our community,

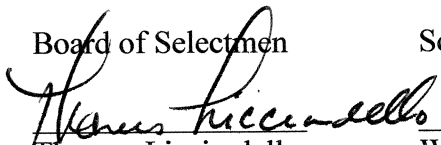
Now, therefore, be it resolved by the North Andover Board of Selectmen, School Committee and Finance Committee that all three boards are committed to the following guiding principles in providing advice and recommendations at the May 14 annual town meeting and afterwards, as noted below in points 3, 5 & 6, to address the town's financial problems:

- 1) Amendments to the FY08 budget as previously agreed to by Board of Selectmen and Finance Committee will not be brought forward and motions from the floor to amend the FY08 budget will not be supported.
- 2) Attempts to transfer funds from the stabilization fund will be vigorously opposed.
- 3) The Board of Selectmen and the School Committee commit, to the extent allowed by law, to negotiating future collective bargaining agreements that are within the available financial resources of the town and provide for a 75% employer, 25% employee sharing of employee health costs.
- 4) A contingent operational Proposition 2 ½ override in the amount of \$1,350,000 including employee benefits for the School Department and \$300,000 including employee benefits for the Municipal Budget for a total override amount of \$1,650,000 will be recommended.
- 5) Should the operational override be approved at the annual town meeting, the Board of Selectmen agree to call an election as provided by state law

for the purpose of placing an override question before the voters and to recommend its passage.

- 6) Notwithstanding the passage of the operating override, the Board of Selectmen, School Committee and Finance Committee pledge to continue to actively cooperate and support each other in addressing the long term financial issues impacting the community.

Board of Selectmen

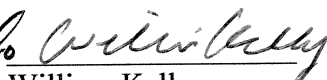


Thomas Licciardello

Chair

Date: 5/7/07

School Committee

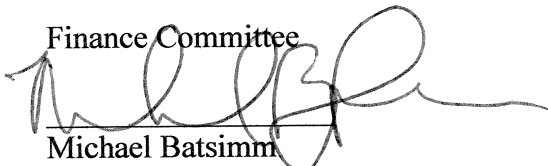


William Kelly

Chair

Date: 5/8/07

Finance Committee



Michael Batsimm

Chair

Date: 5/8/2007